- 1. The number of military, political, and economic specialists whom Moscow is new sending in large groups, from the USER to China, indicates that the Soviet-Chinese alliance is being taken very seriously--indeed is being regarded as a matter of vital interest. Moscow is at the moment putting forth every effort to make the alliance provided for in the scoret Soviet-Chinese treaty (signed by Stellin and Mao Tse-tung in 1950) more effective and wider in scope.
- 2. Under the terms of this treaty, standardization of arms and equipment of the Chinese Army, on Soviet Army Models, is provided for. It is further provided that the Chinese military and economic potential shall be brought up to the highest possible level. Moseow also undertakes to assist Chine to become the Great Power of the Far East and to secure several strategic points in Asia. Chine is to be helped to assume the role of liberator of Southeastern Asia, but the USSR reserves the Indies for herself.
- 3. Backstage in the Kremlin, people understand that Malenkov and Khrushchev are merely applying the old Stalin tactics. There is some talk of an early move against the Moletov-Bulganin group. Mikoyan and Voroshilov have lost their influence and are on the list to share Beriats fate.
- 4. For the moment, at least, Malenkov has managed to reconcile and reunite the Party pparatus and the State ureaucracy. Literally thousands of specialists have been sent to Communist China. Their replacement by new men, reared to blind

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obedience, has made this process a good deal easier. These new men are devoted to Malenkov and may bedrehise on to carry out his orders without hesitation. This will be true both in Party and State ffairs. In spite of rumors of Molotov's impending fate, Malenkov at the moment is still getting as much help as he can from Molotov's machine and its decisive influence over Party ffairs. This may mean that Molotov's troubles are still not imminent.

5. A reorganization of the army is going on. The propagandists are trying to persuade the people (in Moscow, at least) that the Kremlin leaders do not want war. However, it is argued that to maintain peace, they have to arm against the capitalists of the West.

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